



CODE EDC 17-07-02-283

Economic Development Corporation of the City of Detroit

APPROVAL OF MINUTES OF JULY 11, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of July 11, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

July 25, 2017

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JULY 11, 2017 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Monique Claiborne
Kimberly Clayson
Chris Jackson
Jonathan Quarles
Matthew Roling
Thomas Stallworth

BOARD MEMBERS ABSENT: Maurice Cox (Ex-Officio)
Linda Forte
John Naglick (Ex-Officio)
William Ritsema

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** Lisa Randon (Tiger Stadium Site Redevelopment)

OTHERS PRESENT: Gay Hilger (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Eric Larson (Larson Realty Group)
Glen Long (DEGC/EDC)
Keith Rodgerson (DEGC/EDC)
Rebecca Navin (DEGC/EDC)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JULY 11, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Vice Chairperson Quarles called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:36 a.m.

GENERAL

Approval of Minutes

Mr. Quarles asked if there were any additions, deletions or corrections to the minutes of the June 13, 2017 Regular Board meeting.

Hearing none, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Roling, Resolution Code EDC 17-07-02-282 was unanimously approved.

PROJECTS

Amendment to the Development Agreement with Larson Realty and Assignment of TIF Reimbursement for the Tiger Stadium Site

Ms. Pavelko advised that in January, 2016, the Economic Development Corporation of the City of Detroit ("EDC") executed a Development Agreement (as amended, the "Agreement") with Tiger Stadium Partners, LLC (the "Developer") for the redevelopment of the portions of the old Tiger Stadium site depicted as Parcels 3 and 4 on Exhibit A to the resolution. The Developer's project will incorporate a 4-story building along Michigan (Parcel 4) with approximately 25,000 square feet of ground floor retail and 102 residential units. In addition, the Developer will build a minimum of 24 townhomes along Trumbull Ave (Parcel 3) (the "Project")

The Developer has requested an extension of the June 30, 2017 closing date contemplated by the Agreement and certain other changes to accommodate the requirements for the project financing for the mixed-use portion of the Project, which includes New Market Tax Credits and Community Revitalization Program funding from the State of Michigan's Michigan Strategic Fund (MSF).

July 11, 2017

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
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500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

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Approval of Minutes

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Hearing none, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Roling, Resolution Code EDC 17-07-02-282 was unanimously approved.

PROJECTS

Amendment to the Development Agreement with Larson Realty and Assignment of TIF Reimbursement for the Tiger Stadium Site

Ms. Pavelko advised that in January, 2016, the Economic Development Corporation of the City of Detroit ("EDC") executed a Development Agreement (as amended, the "Agreement") with Tiger Stadium Partners, LLC (the "Developer") for the redevelopment of the portions of the old Tiger Stadium site depicted as Parcels 3 and 4 on the attached Exhibit A. The Developer's project will incorporate a 4-story building along Michigan (Parcel 4) with approximately 25,000 square feet of ground floor retail and 102 residential units. In addition, the Developer will build a minimum of 24 townhomes along Trumbull Ave (Parcel 3) (the "Project")

The Developer has requested an extension of the June 30, 2017 closing date contemplated by the Agreement and certain other changes to accommodate the requirements for the project financing for the mixed-use portion of the Project, which includes New Market Tax Credits and Community Revitalization Program funding from the State of Michigan's Michigan Strategic Fund (MSF).

July 11, 2017

Staff supports the Developer's request and proposes an amendment to the Agreement as follows (the "Proposed Amendment"):

EDC staff have reviewed the request and propose an amendment to the Agreement as follows (the "Proposed Amendment"):

1. Project is separated into two separate projects depicted as Parcel 3, Townhomes Project (08000587-9), and Parcel 4, Mixed Use Project (08000590-1).
2. Parcel 3 will be sold for one-hundred and fifty thousand dollars (\$150,000) and Parcel 4 for one-hundred and fifty thousand dollars (\$150,000).
3. Closing Date for Mixed Use and Townhouse projects is extended 45 days to August 15.
4. If closing for either project does not occur by August 15, EDC has the right to terminate the Development Agreement with respect to the Mixed-Use project and the Townhouse project.
5. Following a closing, a default on the Townhouse project will not create a cross-default for the Mixed-Use project.
6. For the Mixed-Use Project, Developer must deliver 50% construction documents, renderings and floor plans 30 days prior to closing for review and approval, and Developer and representatives from EDC and PDD must jointly establish mutually agreeable minimum development requirements. 30 days after closing, Developer must deliver for the EDC's review and approval 90% construction documents consistent with the minimum development requirements created. Failure to deliver 90% construction documents acceptable to EDC and PDD within the allotted time would be considered a default.
7. For the Townhouse Project, Developer must deliver the site plan, renderings, and floor plans 15 days prior to closing and Developer and representatives from EDC and PDD must jointly establish mutually agreeable minimum development requirements. 90 days after closing, Developer must deliver for the EDC's review and approval 90% construction documents consistent with the minimum development requirements created. Failure to deliver 90% construction documents acceptable to EDC and PDD within the allotted time would be considered a default.
8. Construction shall be completed on both the Mixed-Use Project and the Townhouse Project within 24 months from closing.
9. Developer shall be responsible for payment of \$500.00 fee to release the MDOT easement.

EDC staff requested the Board's approval of amendment of the terms of the development agreement previously approved by the EDC Board to reflect the changed terms above.

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In addition, the EDC has an approved Brownfield Plan to conduct certain eligible activities and receive reimbursement for activities conducted including demolition. Developer will also incur eligible expenses and has asked for reimbursement of up to \$1.8 million in eligible activities. As such, EDC staff recommended assigning its reimbursement proceeds of up to \$1.8 million in tax increment revenues for eligible activities identified in the Brownfield Plan from the revenues generated by Parcels 3 & 4 to the Developer and/or its affiliates.

A draft resolution was included in the Board material for consideration.

Ms. Navin advised that there is a correction to be made in the memo and resolution. It should read \$1.8 million **plus interest**.

Subsequent to a discussion, the Board took the following action:

On a motion by Ms. Claiborne, seconded by Mr. Jackson, Resolution Code EDC 17-07-76-22 was unanimously approved, as amended.

OTHER MATTERS

PUBLIC COMMENT

Mr. Quarles called for public comment.

Mr. Eric Larson of Larson Realty Group expressed his appreciation to the EDC Board for its continued support of the Tiger Stadium site project.

ADJOURNMENT

With there being no further business to transact, Mr Quarles adjourned the meeting at 8:46 a.m.



CODE EDC 17-07-02-282

Economic Development Corporation of the City of Detroit

APPROVAL OF MINUTES OF JUNE 27, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of June 27, 2017 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

July 11, 2017



Economic Development Corporation of the City of Detroit

CODE EDC 17-07-76-22

(Amended at Table)

TIGER STADIUM SITE REDEVELOPMENT PROJECT: AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH LARSON REALTY AND ASSIGNMENT OF TIF REIMBURSEMENT FOR THE TIGER STADIUM SITE

WHEREAS, in January, 2016, the Economic Development Corporation of the City of Detroit ("**EDC**") executed a Development Agreement (as amended, the "**Agreement**") with Tiger Stadium Partners, LLC (the "**Developer**") for the redevelopment of the portions of the old Tiger Stadium site depicted as Parcels 3 and 4 on the attached **Exhibit A**, relating to the development of a 4-story building along Michigan (Parcel 4) with approximately 25,000 square feet of ground floor retail and 102 residential units (the "**Mixed Use Project**") and a minimum of 24 townhomes along Trumbull Ave (Parcel 3) (the "**Townhouse Project**" and together with the Mixed Use Project, the "**Project**"); and

WHEREAS, Developer has requested an extension of the June 30, 2017 closing date contemplated by the Agreement and certain other changes to accommodate the requirements for the project financing for the Mixed-Use Project, which includes New Market Tax Credits and Community Revitalization Program funding from the State of Michigan's Michigan Strategic Fund (MSF); and

WHEREAS, the EDC Board has reviewed the terms of amendment to the Agreement as follows (the "**Proposed Amendment**"):

1. Project is separated into two separate projects depicted as Parcel 3, Townhomes Project (08000587-9), and Parcel 4, Mixed-Use Project (08000590-1).
2. Parcel 3 will be sold for one-hundred and fifty thousand dollars (\$150,000) and Parcel 4 for one-hundred and fifty thousand dollars (\$150,000).
3. Closing Date for Mixed Use and Townhouse projects is extended 45 days to August 15.
4. If closing for either project does not occur by August 15, EDC has the right to terminate the Development Agreement with respect to the Mixed-Use project and the Townhouse project.
5. Following a closing, a default on the Townhouse project will not create a cross-default for the Mixed-Use project.
6. For the Mixed-Use Project, Developer must deliver 50% construction documents, renderings and floor plans 30 days prior to closing for review and approval, and Developer and representatives from EDC and PDD must jointly establish mutually agreeable minimum development requirements. 30 days after closing, Developer must deliver for the EDC's review and approval 90%

construction documents consistent with the minimum development requirements created. Failure to deliver 90% construction documents acceptable to EDC and PDD within the allotted time would be considered a default.

7. For the Townhouse Project, Developer must deliver the site plan, renderings, and floor plans 15 days prior to closing and Developer and representatives from EDC and PDD must jointly establish mutually agreeable minimum development requirements. 90 days after closing, Developer must deliver for the EDC's review and approval 90% construction documents consistent with the minimum development requirements created. Failure to deliver 90% construction documents acceptable to EDC and PDD within the allotted time would be considered a default.

8. Construction shall be completed on both the Mixed-Use Project and the Townhouse Project within 24 months from closing.

9. Developer shall be responsible for payment of \$500.00 fee to release the MDOT easement.

WHEREAS, in addition, the EDC has an approved Brownfield Plan to conduct certain eligible activities and receive reimbursement for activities conducted including demolition (the "Brownfield Plan"); and

WHEREAS, the EDC Board has reviewed a request from Developer to assign to Developer and/or its affiliates EDC's reimbursement proceeds of up to \$1.8M plus interest of tax increment revenues under the Brownfield Plan to reimburse Developer for Developer's eligible activities identified in the Brownfield Plan from the revenues generated by Parcels 3 & 4 (the "Brownfield Assignment"); and

WHEREAS, the EDC Board of Directors has reviewed the Proposed Amendment and the Brownfield Assignment, determined that each of the Proposed Amendment and the Brownfield Assignment is consistent with the EDC's goal of redeveloping the Tiger Stadium site and are otherwise appropriate and consistent with the EDC's statutory purposes.

NOW, THEREFORE, BE IT, RESOLVED, that each of the Proposed Amendment and the Brownfield Assignment is hereby approved.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute an amendment to the Development Agreement and assignment of proceeds upon the terms and conditions consistent with the Proposed Amendment and the Brownfield Assignment, together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

July 12, 2017